South Dakota Public Utilities Commission Docket GE17-002 MidAmerican Energy Company Second Data Request

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2-8 **South Dakota Data Request**

Please verify that the starting Gas Distribution Capacity costs are correct in the Cost-Benefit Models. The general tabs for each program identifies a Gas Distribution cost of \$9.67/therm was used and the avoided costs provided in response to Staff DR 1-6 identify a cost of \$9.57/therm for 2018.

Response:

The gas distribution capacity costs used in the cost benefit models is correct. The capacity cost is \$9.67 for 2018 escalated at 1.85% per year. This stream of costs approximates the more granular stream of costs provided in response to Staff DR 1-6.